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SUBJECT: CHAVEZ' SWEARING IN: "SOCIALISM OR DEATH"

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Classified By: POLITICAL COUNSELOR ROBERT DOWNES,
REASON 1.4 (D)

¶11. (C) Summary. At his carefully choreographed January 10 inauguration ceremony, President Chavez staunchly defended and elaborated on his plans to enact profound "socialist" changes in Venezuela as the embodiment of the "will of the people." The Venezuelan president reiterated his intention to nationalize privatized "strategic resources" and endorsed a series of constitutional and legislative changes that would, among other things, eliminate the two-term limit on presidential re-election, redraw the territorial divisions of state and local governments, permit the creation of utopian "federal cities and territories," and enhance the authorities of "people's" councils.

¶12. (C) Leaving virtually no room for dialogue with the opposition, the Venezuelan president deprecated the notion of minority rights in a democracy, and pledged to eliminate the "privileges of elites." Invoking Trotsky, Chavez said the "revolution is permanent." Chavez also leveled more criticism against the Catholic Church hierarchy and OAS Secretary General Insulza for criticizing his decision not to

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renew the license of an independent broadcaster. While he did not focus on foreign policy, Chavez did reiterate his stock mantra that Venezuela is "no longer a (U.S.) colony." Charge and other third country diplomats attended and no heads of state were present. Chavez said he waved off heads of government from attending to facilitate his own attendance at Nicaraguan President Daniel Ortega's inauguration later the same day. End Summary.

The Inauguration

¶13. (U) Charge, along with representatives of the diplomatic corps in Caracas, attended President Hugo Chavez' January 10 inauguration in the National Assembly. No foreign heads of government attended the ceremony. During his inauguration, Chavez said the BRV had to turn down the "many" heads of government that wanted to attend his inauguration so as not to "complicate" his attendance at Nicaraguan President Daniel Ortega's inauguration later the same day. At the conclusion of his 185-minute inauguration speech, Chavez asked the

diplomatic corps to extend his greetings back to their capitals. He specifically asked the Papal Nuncio to pass his regards to Pope Benedict XVI.

¶14. (SBU) National Assembly President Cilia Flores, who was re-elected as the legislative leader on January 5, conveyed the "Bolivarian" version of Venezuelan history (Chavez as national savior). Prior to administering the oath of office, she promised that the National Assembly would pass an enabling law giving Chavez wide authorities to issue wide-ranging decrees as well as constitutional reforms. Chavez swore to protect Venezuela's "glorious (1999) constitution" by constructing "Venezuelan socialism" and instituting a new "political, social, and economic" system. "My country, socialism, or death," yelled Chavez at the end of his oath. Flores symbolically placed the presidential sash on Chavez from left to right, rather than, according to tradition, right to left.

¶15. (U) Chavez dedicated his inauguration speech to Jesus Christ, whom he called "the supreme symbol of revolution." He also read extensively from the writings of Venezuelan national hero Simon Bolivar in an effort to link "The Liberator" to his own "socialist revolution." He asserted that equality is "only possible via socialism," and "impossible via capitalism." He added that socialism is the only form of government that can maximize "happiness, security, and political stability." Citing Bolivar, Chavez stressed the importance of not just establishing equality under the law, but putting it into practice.

¶16. (U) Prior to his swearing-in, Chavez laid a wreath at Simon Bolivar's tomb in the National Pantheon and greeted throngs of red-clad supporters. He subsequently traveled to the National Assembly in the back of an open convertible sedan waving to more Chavistas en route. He paused several times to greet attendees and children, including members of the Venezuela Youth Orchestra. Representatives of "popular power" escorted Chavez inside the National Assembly to his

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chair. After the inauguration, Chavez inspected a military parade before leaving Venezuela to attend Nicaraguan President Daniel Ortega's inauguration.

Confronting the Catholic Church and OAS SecGen -- Again

¶17. (U) Picking up where he left off in his January 8 speech (reftel), Chavez defended his decision not to renew the license of independent broadcaster RCTV in May 2007. Pointing to Cardinal Urosa Sabina, who has publicly criticized that decision, Chavez said the Catholic Church leadership represents the vestiges of the "hidden dictatorship" of previous governments. "The state respects the Church," Chavez bellowed to applause, "but the Church must respect the state." Chavez also lashed out at Episcopal Conference Vice-President and Coro Bishop Roberto Luckert, adding his judgment that Luckert is not going to heaven, but to "hell." Chavez pledged to respond vociferously to public criticism and urged Church critics to approach members of his government "quietly" instead.

¶18. (U) While conceding that he had not chosen his words well when he called OAS Secretary General Insulza a word charitably translated as "idiot" ("pendejo") in his January 8 speech, Chavez nevertheless said he does not intend to apologize for his remark. Instead, Chavez asserted that Insulza is "out of touch" with the BRV's long-standing struggle to oppose the vestiges of "fascism" (sic). The National Assembly passed on January 9 a resolution "rejecting" Insulza's communique urging the BRV to reconsider the non-renewal of RCTV's license and supporting Chavez' decision. National Assembly Foreign Affairs Commission President Saul Ortega told the media that the U.S. State

Department was behind Insulza's RCTV comments.

No Compromises

¶9. (SBU) Using combative language, Chavez turned around opposition pleas that he respects the rights of the minorities, and said they must concede the right of the majority to "determine and impose" its political program. Referring to the "betrayal of Bolivar," he lambasted the "new privileged caste of elites" that he claimed has dominated Venezuela ever since. Chavez then insisted that the "time had come" to "end the privileges" of elites, so that "nothing will stop the revolution." He discussed at length the importance of the "constituent power of the people," which he plans to make "omnipotent" and "omnipresent." Invoking Trotsky, Chavez said the "revolution" must be "permanent."

¶10. (SBU) Chavez also took credit for "liberating" Venezuela from foreign (read, U.S.) domination (sic). He asserted that the United States had sent "boatloads of gringos" early in the 20th century to "sack" Venezuela's oil, gold, silver, and other natural resources and had forced the Venezuelan government to cede 50-year oil concessions to American firms (sic). He shrugged off the precipitous decline in Venezuela's stock market in the wake of his January 8 pledge to nationalize privatized "strategic industries" arguing that the strength of the Venezuelan economy is independent of stock market values. "Venezuela," Chavez continued, "is no longer the colony of anyone" and that only "national liberation" had permitted his government to pursue such an agenda of profound changes.

The "Five Motors of Transformation"

¶11. (SBU) Chavez also discussed at length the five "motors of transformation" that he introduced in his January 8 speech (reftel). He stressed a couple of times that he looked forward to "discussing" these ideas but also made it clear that he expected them to be implemented. First, Chavez thanked NA President Flores for pledging to pass an omnibus enabling act that will give the executive broad authorities to issue "revolutionary" decrees. Second, he announced that Flores will chair a government commission that will recommend "profound" changes to the 1999 constitution. He mentioned several times the necessity to pass an amendment allowing re-election to an indefinite number of terms (the current limit is two) if "the people want it." He also recommended

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that the commission recommend changes to the division of powers between the central government and local governments (in favor of the former).

¶12. (SBU) Third, Chavez reiterated the importance of promoting "popular education" to foment "socialist" values in Venezuelan society. He announced that the Education Ministry, headed by his brother Adan Chavez, as well as the Ministries of Higher Education and Culture would lead that effort under the slogan "morality and lights." Fourth, the Venezuelan president also said he will promote a "new geometry of power" in which the territorial divisions of states and municipalities could be dramatically altered. He suggested that he may try to create "federal cities" and "federal territories" based on new forms of "communal power" to be models of Venezuelan socialism.

¶13. (SBU) Fifth, Chavez attacked the "bureaucracy, corruption, and inefficiency" of many local governments, calling them "vestiges of the (pre-Chavez) Fourth Republic." Chavez pledged to boost and expand local councils to supplant the "archaic" structures the "bourgeois state" and to seek legislation that would allow the creation of regional and

national communal councils. With respect to existing government bodies, Chavez recommended a salary cap for government officials and challenged senior government officials to return portions of their salaries.

Comment

¶14. (C) Chavez made clear in his January 10 inauguration speech that he intends to make good on his campaign promise to construct a distinctly Venezuelan -- and Chavista -- brand of socialism, rather than merely consolidate his "Bolivarian revolution" of the last eight years. He dedicated a considerable portion of his speech in an attempt to establish that Bolivar was an egalitarian and a socialist, and then to justify socialism in terms of Christian values and the founding of Venezuela. He also unloaded another broadside against the Catholic Church, one of the few domestic institutions still capable of generating concerns among Chavista voters.

¶15. (C) Chavez' vision for the next six years -- and beyond -- appears to represent a significant shift in favor of the ideologues (or what the opposition are calling the BRV "Talibanes") and a movement away from the pragmatists, technocrats, and opportunists in his camp. He pointedly warned other government officials that he had already thought "long and hard" about his proposals and is seeking their support, not debate. In launching the "socialist" phase of his "Bolivarian revolution," Chavez seems to feel strong enough to eat his own: the creation of a single pro-government party (the United Socialist Party of Venezuela), disbanding and supplanting largely pro-government party contacts in existing local governments, and drawing up new state and local districts will inevitably disadvantage some Chavistas. Nevertheless, Chavez is increasingly and excessively thin-skinned and defensive and therefore even more predisposed to brook no opposition.

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